

DEPARTMENT OF THE ARMY  
HEADQUARTERS, UNITED STATES ARMY MEDICAL COMMAND  
HEALTH CARE OPERATIONS ACQUISITION ACTIVITY  
Fort Sam Houston, Texas 78234-6038

1 October 1997

**Contracting**  
**MEDCOM ACQUISITION INSTRUCTIONS (MAI)**


**SUMMARY.** This regulation is issued by the Assistant Surgeon General for Force Sustainment, as Head of Contracting Activity (HCA), pursuant to the Federal Acquisition Regulation (FAR), the Defense FAR Supplement (DFARS), and the Army FAR Supplement (AFARS). This regulation establishes internal MEDCOM guidance for the acquisition of supplies, services, and construction under the authority of Army FAR Supplement paragraph 1.304(a)(1).

**APPLICABILITY.** This MAI applies to all purchases and contracts made and/or entered into by the following U.S. Army Medical Command Contracting Offices: The Central Contracting Office (CCO), The Fitzsimons Army Medical Center (FAMC) Directorate of Contracting, The Northwest Contracting Center, The Pacific Contracting Center, The Southeast Contracting Center, The Southwest Contracting Center, The Walter Reed Army Medical Center (WRAMC) Directorate of Contracting, and The Fort Sam Houston Directorate of Contracting.

**SUGGESTED IMPROVEMENTS.** The proponent activity of this regulation is the Office of the Principal Assistant Responsible for Contracting (OPARC). Users are invited to send comments and suggested improvements on DA Form 1018 (Recommended Changes to Publications and Blank Forms) to OPARC, MEDCOM Acquisition Activity, ATTN: MCAA, Building 2002, 2706 Dunstan Rd, Suite 38, Fort Sam Houston, TX 78234-6038.

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FOR THE COMMANDER:

  
JOHN J. CUDDY  
Major General, DC  
Chief of Staff

DISTRIBUTION:  
MEDCOM Contracting Offices

This instruction supersedes HSC Acquisition Instructions dated  
1 October 1993

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**PART 1    FEDERAL ACQUISITION REGULATIONS SYSTEM**

**SUBPART 1.2 - ADMINISTRATION**

**1.290    Routing of documents and mailing addresses.**

(d) Whenever acquisition regulations or directives prescribe direct submission to addresses at HQDA level, the originator shall furnish an information copy concurrently to the Office of the Principal Assistant Responsible for Contracting (OPARC). When submitting copies through the OPARC to HQDA, provide one additional copy for retention by the OPARC. The mailing address for the OPARC is Commander, U.S. Army Health Care Acquisition Activity, ATTN: MCAA, Bldg 2002, 2706 Dunstan Rd, Suite 38, Fort Sam Houston, TX 78234-6038.

## **SUBPART 1.3 AGENCY ACQUISITION REGULATIONS**

### **1.303 Publication and codification.**

(iv) These instructions are referred to as the MEDCOM Acquisition Instructions (MAI). Any Part, Subpart, or Section may be cited as "MAI" followed by the Part, Subpart, Section, or paragraph number. Thus, this subsection would be cited as "MAI 1.303", but within this regulation it will be referred to as 1.303.

### **1.304 Agency control and compliance procedures.**

(iv)(1) Permanent changes to the MAI will be published by the OPARC in printed, serially numbered changes with revised pages or instructions for pen and ink changes to existing pages. The OPARC will distribute these changes by electronic means.

(2) The OPARC will issue interim changes in the form of MEDCOM Acquisition Instruction Letters (MAIL). An interim change will remain in effect until incorporated in the MAI by a permanent change or rescinded. The OPARC will distribute these changes by electronic means.

**SUBPART 1.4 DEVIATIONS FROM THE FAR**

**1.402 Individual deviations.**

(4) Field activities should request MAI deviations from the OPARC in writing.

**SUBPART 1.6 CAREER DEVELOPMENT, CONTRACTING AUTHORITY  
AND RESPONSIBILITIES**

**1.602-2-100 Responsibilities.**

(a)(i)(1) The Office Chief/Director of Contracting is responsible for ensuring that the contracting officer reviews the proposed solicitation and that a copy of that review is placed in the contract file. Recommended changes to the statement of work/specifications shall be approved by the requiring activity and documented in that solicitation file.

(2) The contracting officer shall provide the requiring activity with a copy of the solicitation concurrent with the release to industry.

(3) The OPARC will perform random electronic reviews of solicitations. The OPARC will review other solicitations if requested by the contracting office.

**1.602-3-100 Ratification of unauthorized commitments.**

(1) Chiefs/Directors of contracting offices shall ensure that files on all unauthorized commitments ratified are maintained to permit ready identification and retrieval.

(2) Chiefs/Directors of contracting offices shall establish a register of unauthorized commitments and ratifications containing vital information concerning each transaction.

**1.603 Selection, Appointment, and Termination of Appointment.**

**1.603-2-100 Selection.**

Office Chiefs should insure that all requests for appointment provide the information on how the candidate meets the criteria at DFARs 201.603-2.

**1.603-4 Termination.**

When a contracting officer is reassigned, resigns or retires out of the office in which their appointment was made, the Office Chief will insure the original of the SF 1402 is returned to the OPARC as a condition precedent to the move.

**1.690-100 Procurement management reviews.**

The OPARC will conduct on-site management reviews of MEDCOM Health Care contracting operations on an 18-month cycle



consistent with the MEDCOM assessment windows. Chiefs/ Directors of contracting offices may request contract management assistance visits in addition to the scheduled visits.

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## **PART 4**

### **ADMINISTRATIVE MATTERS**

#### **SUBPART 4.1 CONTRACT EXECUTION**

##### **4.101 Contracting officer's signature.**

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## **PART 6 COMPETITION REQUIREMENTS**

### **SUBPART 6.3 - OTHER THAN FULL AND OPEN COMPETITION**

#### **6.303-1 Requirements.**

(b)(i) Recommendations by technical and requirements personnel shall be certified for accuracy and completeness by the customer's Division Chief or equivalent without power of redelegation.

#### **6.305 Availability of the justification.**

(c) Each contracting office will maintain a J&A register on a fiscal year basis which cites the following information:

- (a) Control Number.
- (b) Date.
- (c) Description of the Requirement.
- (d) Authority Under 10 USC 2304(c).
- (e) Amount, Including Options.
- (f) Approval Date.

## **SUBPART 6.5 COMPETITION ADVOCATES**

### **6.502 Duties and responsibilities.**

(b)(iii) Responsibilities of the local Competition Advocate are:

(1) Seek to improve the overall competition performance for their activity by reviewing policies, procedures, and decisions of the organization that inhibit or may inhibit competition.

(2) Establish and monitor an awards program to encourage and recognize outstanding performance in support of competition.

(3) Submit an annual narrative of good news and any significant actions taken. This narrative is due at OPARC by 15 Oct.

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### **SUBPART 7.1 ACQUISITION PLANS**

#### **7.103 Agency-Head responsibilities.**

(c)(ii) Submit acquisition plans requiring HCA approval to the OPARC at least 60 calendar days prior to contemplated solicitation release date; except for multi-function Commercial Activities project acquisition plans which must be submitted to the OPARC at least 120 calendar days prior to solicitation release date. The OPARC requires two copies, the original and one.

#### **7.104-90 Acquisition planning system**

(e) Office Chiefs/Directors of Contracting will ensure that a copy of the plan generated by the system is furnished the OPARC no later than 31 May of each year.

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## **PART 12 ACQUISITION OF COMMERCIAL ITEMS**

### **SUBPART 12.2 SPECIAL REQUIREMENTS FOR THE ACQUISITION OF COMMERCIAL ITEMS**

#### **12.202 Market research and discription of agency need**

(100) Contracting Offices will publish on the MCAA Homepage, a description of commercial requirements, sources sought and pending requirements. Refer to the current MCAA Homepage policy letter for guidance.

**SUBPART 12.3 SOLICITATION PROVISIONS AND CONTRACT CLAUSES FOR THE  
ACQUISITION OF COMMERCIAL ITEMS**

**12.301 Solicitation provisions and contract clauses for the  
acquisition of commercial items**

(100) The following clauses are resident on the MCAA World Wide  
Web Homepage at URL:

<http://www.medcom.amedd.army.mil/medcom/mcaa>

52.212-1 Instructions to Offerors - Commercial

52.212-2 Evaluation - Commercial Items

52.212-3 Offeror Representations and Certifications - Commercial  
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52.212-4 Contract Terms and Conditions - Commercial Items

52.212-5 Contract Terms and Conditions Required to Implement  
Statutes or Executive Orders - Commercial Items

52.222-48 Exemption from Application of Service Contract Act  
Provision for Contracts for Maintenance,  
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52.232.28 Electronic Funds Transfer Payment Methods

252.212-7001 Contract Terms and Conditions Required to Implement  
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**PART 13 SIMPLIFIED ACQUISITION PROCEDURES**

**SUBPART 13.2 - Blanket Purchase Agreements**

**13.203-1 General**

(j)(2) Contracting Officers should ensure that all new BPAs include provisions for payment by the IMPAC credit card.

## **SUBPART 13.5 PURCHASE ORDERS**

### **13.502-100 Unpriced purchase orders**

(a) Repair services relating to inoperative equipment often must be "torn down" to determine the problem and it is not practical to price such work in advance. When such services are required, the requesting activity shall forward a purchase request with the following:

- (1) Statement of work to be performed.
- (2) Description of the equipment's performance and peculiar operating characteristics.
- (3) Urgency of the repair.
- (4) "Not-to-exceed" repair cost.

(b) Upon receipt of the purchase request, the contracting officer shall determine if the services are available from a mandatory source, e.g., Federal Prisons. If the services are not available from a mandatory source, the contracting officer shall select one competent firm to perform the services. Small Business Set-Aside procedures apply unless the action is estimated as under \$2,500. This type of repair order should be rotated among competent firms, if possible. After selection of a source an unpriced purchase order (UPO) shall be issued. The UPO shall include:

- (1) FAR 52.213-3, Notice to Suppliers
- (2) Instructions that each invoice shall contain sufficient information to support a determination of price reasonableness such as an itemized list of all replacement parts, their cost, the labor rate, and hours required to place the item back in service. The invoice should be mailed directly to the contracting officer for a determination of price reasonableness prior to forwarding to finance.
- (3) A Government Furnished Property clause consistent with the estimated acquisition cost of the item.
- (4) Other FAR, DFARS, AFARS clauses as currently required.

(c) To satisfy the requirements of FAR 13.106, the price reasonableness documentation should address the fact that some defects are not detectable until a teardown inspection is

performed.

## **SUBPART 13.90 GOVERNMENT CREDIT CARD**

### **13.9003-100 Purchase card use**

The goal for credit card use within the MEDCOM Health Care Acquisition Activity is 80% of all eligible requirements valued at less than \$2,500. As of 1 January 1997, requirements less than \$2,500 will not be accepted by any MEDCOM health care contracting office unless there are mitigating circumstances approved by the Office Chief/Director of Contracting.

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(b)(5) The MEDCOM Health Care contracting offices are designated as the coordinating office for USPs relating to commodities or services for which they have contracting responsibility in accordance with MEDCOM Regulation 10-1. The USPs for other commodities or services shall be referred to the appropriate non MEDCOM contracting office.

(6) The coordinating office shall contact the activity whose prime mission and function best covers the areas to be evaluated in the proposal to decide if the USP contains sufficient technical and cost information.

(7) If the coordinating office determines that the USP meets the requirements in FAR 15.503, they will send the offeror an information letter stating that the USP is accepted for evaluation and that such acceptance is not to be construed as an acceptance or an offer to accept or an implied promise that a contract to buy will follow. The letter shall also state that information on the results of the evaluation will be provided and that such information is not an endorsement by the government and shall not be used for advertising purposes or sales promotion.

(8) The USP will then be forwarded to the proper evaluation office. The evaluating office will adhere to duplication, use and disclosure restrictions requested by the offeror and FAR 15.508. If final evaluation cannot be completed within 30 workdays, the offeror will be notified by the coordinating office and provided an estimated completion date.

(9) If a proposal has technical merit but there is no requirement at the receiving MEDCEN, the coordinating office will send it to OPARC and advise the offeror in an information letter explaining the actions being taken. The cover letter transmitting the offer to the OPARC will include information about the merits and potential value of the proposal.

#### **15.506-1 Receipt and initial review.**

(b) The coordinating office shall acknowledge receipt of the proposal to the offeror within 5 working days from receipt.



## **SUBPART 15.8 PRICE NEGOTIATION**

### **15.807 Prenegotiation objectives**

(b) The PARC shall approve POMs over \$10,000,000 for the CCO, over \$5,000,000 for WRAMC and the Fort Sam Houston Directorate of Contracting and over \$2,000,000 for DDEAMC, FAMC, MAMC, TAMC, and WBAMC.

(c) Information in the POM sent to the OPARC for approval shall include all attachments referenced in the basic document as well as a summary of the market research conducted. These documents may be transmitted by electronic means. E-mail points of receipt for these documents are the PARC, Commander/Deputy Commander, and Lead Analyst. Submitters may plan for a 5 day turnaround.

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**PART 16 TYPES OF CONTRACTS**

**SUBPART 16.4 INCENTIVE CONTRACTS**

**16.404-2 Cost-plus-award-fee contracts.**

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**PART 19 - SMALL BUSINESS AND SMALL DISADVANTAGED BUSINESS CONCERNS**

**SUBPART 19.7 SUBCONTRACTING WITH SMALL BUSINESS AND SMALL DISADVANTAGED BUSINESS CONCERNS**

**19.704 Subcontracting plan requirements.**

(a) An information copy of the subcontracting plan and Evaluation of Subcontracting Plan checklist shall be forwarded to the Associate Director SADBUs.

**19.705-6 Postaward responsibilities of the contracting officer.**

(a) The contracting officer shall provide the Associate Director SADBUs with an information copy of the letter transmitting the subcontracting plan to the Assistant Regional Administrator for Procurement Assistance in the SBA region where the contract will be performed.

**SUBPART 19.8 CONTRACTING WITH THE SMALL BUSINESS  
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**19.804 Evaluation, offering, and acceptance**

**19.804-2 Agency offering.**

(a) The SADBUs Specialist shall notify the Associate Director, SADBUs by telephone or E-mail of intent to withdraw a commitment. Copies of withdrawal documentation and relating documentation shall be provided the Associate Director upon execution.

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### **APPLICATION OF LABOR LAWS TO GOVERNMENT ACQUISITIONS**

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(e) All solicitations and contracts for construction involving a hospital, clinic, or any other patient care area; commercial activities; supplies whose delivery is critical to patient care, which meet specific compatibility requirements and/or will be purchased under FAR 6.3; and services (especially those involving collective bargaining agreements and unions) purchased under FAR 6.3 shall include the clause at FAR 52.222-1, Notice to the Government of Labor Disputes.



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## **PART 28 BONDS AND INSURANCE**

### **SUBPART 28.2 SURETIES**

#### **28.203-2 Acceptability of assets.**

(a) United States bonds or notes, certificate or cashier's checks, bank drafts, money orders or currency furnished to the contracting office in lieu of corporate or individual sureties on bonds shall be promptly turned over to the disbursing office in order to provide an audit trail and secure these items.

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**SUBPART 33.1 PROTESTS**

**33.103 Protests to the agency**

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## **PART 37 SERVICE CONTRACTING**

### **SUBPART 37.1 SERVICE CONTRACTS - GENERAL**

#### **37.104 Personal services contracts**

(f)(ii) Personal services contractors are not normally required to furnish malpractice liability Insurance since the Government is self-insured.